

DATE: January 20, 2016

TO: Peter Owens (CEDO Director), Gillian Nanton (Assistant CED) Director for Sustainability, Housing and Economic Development) and Brian Lowe (Chief of Staff, Mayor Weinberger)

CC: Tom Ayres, Ward 7 City Councilor and Adam Roof, Ward 8 City Councilor

FROM: Selene Colburn, East District City Councilor and Chair of Community Development and Neighborhood Revitalization Committee

RE: Inclusionary Zoning Review RFP

The City Council's Community Development and Neighborhood Revitalization Committee (CDNR) met on December 15, 2015 to review a draft Request for Proposals (RFP) for a review of Burlington's Inclusionary Zoning Ordinance.

Councilors Colburn and Roof were present; Councilor Ayres was absent.

There was substantive public feedback on the RFP. The suggestions contained in this memo are indicative of areas of agreement between committee and public feedback. We request that a subsequent draft of the IZ RFP come back to the CDNR for final input and buy in.

Suggestions:

- Before asking how IZ can or should be changed, it's important to evaluate how current practices are working. This evaluation must be measured first and foremost against the stated goals of the ordinance<sup>1</sup>, which emphasize inclusion and socio-economic integration, not housing production. If we want to make housing production the primary goal of our inclusionary zoning ordinance, as the RFP at times implies, that is a change that would need to be made through an ordinance revision (not an RFP process or consultancy).

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<sup>1</sup> "The intent of these regulations is:

- (a) To meet the specific mandates of 24 V.S.A. Chapter 117 related to housing opportunities for all of Vermont's citizens, particularly for those citizens of low or moderate income;
- (b) To ensure the provision of housing that meets the needs of all economic groups by precluding construction of only market rate housing on the limited supply of available land within the City;
- (c) To improve the quality of life for all residents by having an economically integrated housing supply throughout the City; and
- (d) To prevent overcrowding and deterioration of the limited supply of affordable housing, and thereby promote the public health, safety and general welfare."

- It's okay to ask about negative externalities as part of the consultant's work, such as whether or not the IZ ordinance has slowed development, but they need to be recognized as such. We also want to understand, quantitatively and objectively, if it's possible for a developer to make a profit under the current inclusionary zoning ordinance.
- There was widespread concern and agreement that the question "should the ordinance continue to require affordability in perpetuity" was in considerable conflict with state and city policy and should not be included in the scope of work for this RFP.
- There is support for looking at the threshold trigger; many who spoke agreed that the current trigger is likely too low.
- Structurally, the current RFP focuses on a scope of work posed as a series of very specific questions which some believe might weight applicants toward a criticism of inclusionary zoning. Let's break the scope of work into clear categories and workflows, such as:
  - *evaluation* of the current ordinance
  - *comparison* to other inclusionary zoning programs
  - *analysis* of financial feasibility, payments in lieu of production, threshold triggers, etc.
  - *recommendations*
- The scope of work as written needs more clarity and may limit applicants. Does the \$20,000 include travel? If so, this will probably limit us to regional applicants. How many visits are expected? What's the volume of the peer comparisons we're looking for? How many drafts need to be submitted? What's the process for review and revision? Is the consultant expected to make a final presentation? The city could do more to define the process, expectations and timeframe upfront. Qualifications should include experience with inclusionary zoning.
- Both members of the public and the committee wanted to know more about the make-up of the internal team that will be reviewing RFP responses. We would like a member of the CDNR committee, ideally the chair, to serve on this team.